

1 Q Now if you go to the middle of the minutes on the
2 first page, it reflects that Mrs. Duff reported about the new
3 low-power facility in Fresno. Do you see that?

4 A Yes.

5 Q Now if you go on to the next paragraph, there's a
6 very brief discussion about Midland/Odessa in that the station
7 has been well-received and is being supported by local view-
8 ers. Do you see that?

9 A Yes, sir.

10 Q Now do you recall, thinking back to this meeting,
11 that Mrs. Duff simply said that or did she have something in
12 the nature of figures to back up what she was talking about?

13 A If she had any figures, I was unaware of them.

14 Q Well, thinking back to this meeting, your recollec-
15 tion is that she simply asserted that the station was being
16 well-received and didn't go into any detail about what
17 "well-received" meant and "support from local viewers" meant?

18 A I, I vaguely recall that she relied some new tele-
19 phone calls that were coming in to the "Prayer Partner" tele-
20 phone lines and perhaps some letters that had been received or
21 some communication from local folks. I, I, I really don't --
22 you know, I can't pin a, a really specific thing that she was
23 pinning her report to.

24 Q Well, was this an oral report solely or did she
25 actually have something in writing to pass around that

1 reflected, you know, "Here's the money; this is what's coming
2 in. The support is good," whatever?

3 A I recall no documentation.

4 Q Now in the next paragraph it says you raised the
5 possibility of attempting to sell the station and replace it,
6 et cetera.

7 A Yes.

8 Q I take it that decision was financially driven or
9 economically driven?

10 A Yes, as I, as I testified earlier, I became aware
11 that we had very little chance of, of cable penetration or
12 carriage. I, I became aware of the fact that it was a
13 highly-cabled area; it's a fairly small market. It was my
14 view that the station just would not become economically
15 viable.

16 Q Did you have any hard data at the point in time of
17 your raising the possibility of attempting to sell the sta-
18 tion, any hard data, that reflected how much money was coming
19 in?

20 A I'm not sure I had any hard data but I had many,
21 many years of experience in building and operating television
22 stations in similar sized markets.

23 Q And that was essentially what you were basing your
24 assessment on, was market size, period?

25 A Market size and cable penetration, yes, sir.

1 Q But you had no hard data at this point to show how
2 much money was coming in?

3 A I don't believe I did.

4 Q Moving on to the next paragraph, do you recall the
5 discussion that is reflected there between yourself, and the
6 Reverend Espinoza, and Mrs. Duff?

7 A Only in a very general way.

8 Q And what do you recall?

9 A Basically what is recorded here in the minutes, that
10 Mr. Espinoza suggested that the expectations of the minority
11 community served by the station should be considered.

12 Q Do you recall any elaboration of what those expecta-
13 tions were supposed to be or are they simply -- or what, what
14 is, what is it that is expected here by the minority community
15 here?

16 A Reverend Espinoza had already been involved for a
17 number of years in, in producing a, a, a Spanish-language
18 program called "Felicidad," and he was, of course, anxious
19 that that program and other Spanish-language programming be
20 carried on the station of its concentration of Hispanic popu-
21 lation.

22 Q And that's all you recall from that.

23 A Yes, sir.

24 Q So the last -- second-to-last sentence says that
25 Mrs. Duff stressed the fact that the station was being

1 adequately supported. Again, does this help you bring to mind
2 whether she had any hard data to support what is reflected
3 here or was this simply an assertion on her part?

4 A My best recollection is it was simply her assertion,
5 Mr. Shook. I, I don't recall any documentation or hard data.

6 Q Turning to page 2, it says, "The board then consid-
7 ered other possibilities for expansion, both for low-power and
8 full-power stations." Do you see that?

9 A Yes.

10 Q Do you recall there being any discussion of the
11 Houston situation? Because here's a, a permit in hand for
12 National Minority TV, and having looked through these minutes
13 I see absolutely nothing about Houston. So did it come up in
14 consideration of the possibilities of expansion or was it
15 simply not talked about?

16 A I, I have no recollection of Houston being discussed
17 in this meeting, sir, at all.

18 Q What, if any, specifics do you recall from the
19 possibilities for expansion? What possibilities for expan-
20 sion?

21 A I believe it was just generally understood that
22 Mrs. Duff would continue to pursue the possibility of filing
23 for new applications on behalf of National Minority.

24 Q And what possibilities for expansion existed with
25 respect to full-power stations?

1 A The possibility of one more station under the excep-
2 tion of 12 rule.

3 Q Well, let's set this in time now. We have Odessa on
4 the air and the Portland application is pending, if not
5 granted, and TBN has its full complement of 12. So what, if
6 you can recall, what possibilities for expansion for
7 full-power stations were being considered? What's going on
8 here?

9 A Yes. It was always my desire that if an opportunity
10 for a, a larger market station came along, National Minority
11 could have always divested itself of the Midland/Odessa sta-
12 tion and acquired a, a larger market to serve more, more
13 people, and that would certainly have been something in my
14 mind at the time.

15 Q Do you recall anything specific being discussed here
16 in terms of what was going to happen?

17 A No, sir.

18 Q It was understood, though, by the other board mem-
19 bers, wasn't it, that National Minority was limited to a
20 complement of two so long as you were on the board?

21 A I believe that was clearly understood.

22 Q Well, you believe that was clearly understood. Do
23 you recall there being any specific discussion about that?
24 Because the suggestion from these minutes is that there is
25 some thought being given to expand beyond the number two for

1 full-power stations and you certainly recognize that under the
2 situation at that time, that was a legal impossibility. So my
3 questions to you is what, if any, specific conversation did
4 you have either with Mrs. Duff or Reverend Espinoza to alert
5 them to you -- you know, what you knew about that, that is,
6 that you cannot go beyond two.

7 A That may have been considered and discussed but I
8 have no recollection of it and it is not so recorded here.

9 Q You had, you had testified that in the context of
10 this paragraph and the discussion that occurred that there was
11 some consideration given to the possibility of moving to a
12 larger market. In other words, you'd have, you'd have to
13 trade up.

14 A Yes, sir.

15 Q Was any consideration given to what the minority
16 presence in such a market should be?

17 A I, I recall no such consideration.

18 Q But basically the consideration was a market-driven
19 or a financial one?

20 A At this point, Mr. Shook, it, it, it had to be
21 because the viability of this new, fledgling company was
22 paramount. If it didn't become economically viable it could
23 never attain any of its other goals. So, yes, certainly in my
24 mind the economic viability of it was paramount.

25 Q Right, and I'm, I'm trying to get beyond what may

1 have been just in your mind and as to what was actually dis-
2 cussed with the other board members.

3 A Yes, sir, I --

4 Q Do you have any specific recollection as to whether
5 any other considerations besides market size were discussed at
6 this board meeting as reflected in these minutes?

7 A No, sir.

8 Q Could you please turn to Mass Media Exhibit -- oh,
9 excuse me, before I leave this, Mass Media Exhibit 230
10 reflects that it was a special meeting.

11 A Yes.

12 Q Do you recall whether any agenda was prepared for
13 this meeting prior to the time the meeting took place?

14 A I, I have no independent recollection of that, sir.

15 Q Do you have any independent knowledge as to whether
16 Reverend Espinoza was alerted prior to the meeting as to what
17 was going to be discussed at the meeting?

18 A No, sir.

19 Q Please turn to Mass Media Exhibit 231.

20 A Yes, sir.

21 Q This is also a special meeting of National Minority
22 TV. It takes place 2 days later, December 14, 1988. Do you
23 see that?

24 A Yes, sir.

25 Q Do you have any knowledge whether an agenda was

1 prepared for this meeting and distributed to board members
2 prior to the time that meeting occurred?

3 A No, sir, I don't.

4 Q Would you please turn to Mass Media Exhibit 232?

5 A Yes, sir.

6 Q The first page, the second-to-the-last paragraph.

7 A Yes, sir.

8 Q The reference to Channel 24/Portland does not indi-
9 cate in any way that there is an entity other than TBN that's
10 going to be involved. Do you have any explanation as to why
11 not?

12 A Again, Mr. Shook, I can only say that my, my news-
13 letters were not ever intended to try and distinguish individ-
14 ual ownership or affiliation. It was simply to enthuse them
15 to help us continue to sponsor and support the many different
16 phases and facets of the overall network and ministry. As I
17 read this text, I, I, I see that I haven't identified it as
18 being either a Trinity station nor a National Minority sta-
19 tion, just Channel 24 apparently has -- "is about to sign on
20 the air in the next few weeks" according to this text.

21 Q Would you please turn to Mass Media Exhibit -- well,
22 actually, before we do that just to verify something, on
23 page 2, the "Paul" is you?

24 A Yes, sir.

25 Q So you would have been the author of what we just

1 | went over.

2 | A Yes, sir.

3 | Q Could you please turn to Mass Media Exhibit 233?

4 | A Yes, sir.

5 | Q Why don't you take a brief look through this to
6 | familiarize yourself with what the documents are. I'm not
7 | going to ask you about specific provisions but just so you
8 | have an idea of what you're looking at.

9 | A Well, this appears to be a sale agreement -- ah, I
10 | believe this is the sale agreement for a piece of property and
11 | building that ultimately became the, the studios of
12 | Channel 24/Portland.

13 | Q With that in mind, could you turn to the first page?
14 | And it reflects that the FAX is being transmitted to
15 | George Sebastian. Do you have any knowledge as to why
16 | George Sebastian is the person to whom the FAX is being sent
17 | relative to a National Minority TV matter for Portland?

18 | A His office was immediately adjacent to Mrs. Duff's
19 | office so perhaps for convenience but, truthfully, I, I do not
20 | know.

21 | Q Please turn to Mass Media Exhibit 234?

22 | A Yes, sir.

23 | Q Now, can you tell me what's going on here with
24 | respect to this special meeting?

25 | A Yes, the transmitter site and tower that National

1 | Minority was going to share with a TV station in Portland
2 | required some kind of financial guarantee, and I believe this
3 | was the meeting where Trinity Broadcasting Network agreed to
4 | provide that necessary guarantee to assure the owner that
5 | National Minority could perform.

6 | Q Had there been board action from National Minority
7 | TV requesting that TBN provide such a guarantee?

8 | A I'm not aware of any.

9 | Q This would have been something brought to the board,
10 | TBN's, attention by Mrs. Duff saying, "This is something we
11 | need?"

12 | A Yes, sir.

13 | Q "We need the guarantee and --"

14 | A Either that or we cannot proceed with the building
15 | of the station, was my understanding.

16 | JUDGE CHACHKIN: Before we go on to the next one,
17 | we'll take a 10-minute recess at this time.

18 | (Whereupon, a brief recess was taken from 11:00 a.m.
19 | to 11:10 a.m.)

20 | JUDGE CHACHKIN: Back on the record, Mr. Shook.

21 | BY MR. SHOOK:

22 | Q Dr. Crouch, could you please turn to Mass Media
23 | Exhibit 235?

24 | A Yes, sir, I'm there.

25 | Q Now, in your interoffice memorandum to department

1 heads notifying them of the upcoming annual board meeting,
2 would you also have supplied them with an agenda or simply
3 this notice that they are to be at the meeting?

4 A Typically, a full-fledged agenda would not be pro-
5 vided to the staff members, no, sir.

6 Q Would there be a list of persons to whom an agenda
7 would be supplied?

8 A No, sir, I, I really, I really can't think of any.

9 Q Outside of yourself -- well, would you have, would
10 you have an agenda as to what was going to happen at the
11 meeting?

12 A Pretty much. As I testified earlier, through the
13 year I would keep a, a file of, of items that would be appro-
14 priate to, to deal with at a -- at an annual meeting, and from
15 that file and from just anything that came up even at the last
16 minute, my secretary and I, and generally Mr. Juggert, would
17 work on items. And staff members were invited to, to send
18 items up to my office that they felt ought to be on the
19 agenda, but the purpose -- one of the main purposes in having
20 these departmental heads attend was to, was to simply bring
21 that report to the board, and in some cases the other members
22 of the network that might be invited to attend as to what was
23 going on in their department, and ways to better communicate,
24 and so forth.

25 Q All right, please turn to Mass Media Exhibit 236,

1 and also Mass Media Exhibit 237. What I want you to look at
2 are the dates, so you could look at the first page of 236 and
3 then also look at 237.

4 A Yes, sir, I see that both meetings were held on
5 January 23rd, 1989.

6 Q Now, looking at Mass Media 236, do you see, do you
7 not, in the second paragraph on the first page where it says
8 "persons present" --

9 A Yes.

10 Q -- that we have both Mrs. Duff and David Espinoza
11 there?

12 A Yes.

13 Q Now, looking at the minutes for the annual meeting
14 for National Minority TV, do you have a recollection of
15 National Minority TV having, in fact, a separate meeting, or
16 is it simply that we have separate minutes and that National
17 Minority TV, in fact, participated in the joint meeting that
18 took place for Trinity and affiliated companies in 1989?

19 A My memory and these minutes would seem to confirm
20 the fact that the board of National Minority was in attendance
21 but I definitely recall, and this I believe was one of the
22 times, whether or not it was the first time or not I, I can't
23 recall, but it was certainly one of the times where we
24 adjourned and held a completely separate meeting for National
25 Minority TV.

1 Q And that separate meeting, then, took place on the
2 premises of Trinity somewhere?

3 A On, on certain occasions, I believe it did; but on
4 other occasions, I believe it was held at a restaurant nearby.

5 Q Well, I'm looking at, I'm looking at the 1989 min-
6 utes. Looking at Exhibit 236, the first page, first para-
7 graph, the minutes reflect that the meeting of the combined
8 boards took place at Tustin, California. That suggests to me
9 that this meeting took place at Trinity's offices.

10 A That's true.

11 Q In looking at Mass Media 237, I see no indication of
12 where the meeting took place.

13 A That would lead me to believe that it may have been
14 the occasion where we held the meeting off of TBN premises but
15 I, I can't be sure of that.

16 Q And so you have no recollection whatsoever as to
17 where this 1989 meeting for National Minority occurred?

18 A It was either on the premises of TBN or, or a nearby
19 location.

20 Q But it would be your testimony that it was, in fact,
21 a separate meeting?

22 A Yes, sir.

23 Q With respect to the National Minority meeting that
24 is reflected in Mass Media Exhibit 237, it states that all
25 officers and directors were present and participated. So does

1 that mean that Phillip Crouch and Charlene Williams left the
2 combined meeting and came to a separate location with you, and
3 Mrs. Duff, and Reverend Espinoza?

4 A Yes, sir.

5 Q Do you recall that?

6 A Yes.

7 Q Did anyone else come?

8 A I, I do not recall any other person coming.

9 Q Now, looking at the minutes for National Minority
10 TV, it reflects that the activities were -- the activities in
11 Portland or with respect to Portland were considered, and also
12 that financial reports were considered. Would the financial
13 report considered have been that audited report for the year
14 ending December 31, 1987, that we went over not too long ago?

15 A It would have included that, Mr. Shook, and, and
16 most probably also an unaudited report for the year of 1988.

17 Q With respect to the audited report for the year
18 ending December 31, 1987 --

19 A By the way, Mr. Shook, may I just add something
20 here?

21 Q Certainly.

22 A Are you aware of the fact that the unaudited monthly
23 reports, financial reports, for National Minority are
24 generated completely separately on a complete separate report
25 for review by Mrs. Duff, and in some cases even myself? It's

1 only the audited report that was combined by our outside
2 independent auditors that included the National Minority line
3 item with its overall report.

4 Q Well, with respect to a monthly report like that,
5 when did that practice begin?

6 A I believe that practice was, was virtually from the
7 very beginning, or at least, perhaps, when -- I can't put my
8 finger on an exact year or month when that practice began but,
9 obviously, when there was any significant financial activity,
10 I believe the record will show that the month reports gen-
11 erated by the finance department of Trinity, as, as we've
12 discussed so often, have, have always been on a completely
13 separate, independent, monthly financial report.

14 Q Well, do you recall when I was asking you questions
15 about Mrs. Duff's report in a, in a board meeting that the
16 Odessa station was doing well, and I asked you whether she had
17 any hard data? And from your testimony, my recollection is
18 that there wasn't anything that she presented to the board.

19 A I don't recall anything, Mr. Shook, but she possibly
20 could have had such a internally separate, generated report.

21 Q Were those internally separate, generated reports
22 also sent to yourself?

23 A They came to my office and I think they came
24 primarily to Mrs. Duff and then she may have forwarded them on
25 to, to me, or generally only if I asked. I didn't review them

1 every month but I'm sure in this particular meeting I, I did
2 review the unaudited generated report which would have con-
3 sisted of 12 separate individual monthly reports on National
4 Minority.

5 Q So, all right, are you saying that you have a recol-
6 lection of reviewing in this 1989 meeting unaudited reports
7 solely for National Minority TV?

8 A I, I see that the board considered the financial
9 reports for the corporation and approved same, so that would
10 have been the practice for us to review both the audited for
11 1987 and the unaudited reports for 1988 since this meeting was
12 occurring in early '89.

13 JUDGE CHACHKIN: Has the Bureau been furnished with
14 any such unaudited reports for National Minority, solely for
15 National Minority?

16 MR. SHOOK: I would not want to say no because I
17 simply do not remember right now amidst all the documents that
18 we look at whether such were there. I, I just cannot say.

19 JUDGE CHACHKIN: Well, what about Trinity's counsel?
20 Do you know if there were any?

21 MR. TOPEL: Yeah, I, I don't -- I don't know either.
22 There was a ton of financial information included but I can't
23 segregate out of --

24 JUDGE CHACHKIN: Well, you kept an index, didn't
25 you, of the material?

1 MR. TOPEL: Your Honor, we didn't -- there was just,
2 there was just -- we'd still be compiling the index today, I
3 think. It was just massive, the amount of --

4 JUDGE CHACHKIN: Well, Mr. Cohen, are you aware of
5 anything?

6 MR. COHEN: Your Honor, I might -- my best recollec-
7 tion is that I did not see such a document but I want to be
8 careful to not make a representation to you that it didn't
9 exist.

10 JUDGE CHACHKIN: Well, let me just put it this way.
11 I think the Bureau should inspect its material to see if there
12 was such documents, and counsel with Trinity, also, if there
13 exists such documents; and I think, I assume, the Bureau would
14 like to see such documents certainly before Dr. Crouch com-
15 pletes his testimony.

16 MR. SHOOK: Well, I will go back and, and look, and
17 I'll do the best that I can with that.

18 JUDGE CHACHKIN: Well, I'm saying if you don't have
19 it, I'd like to have a statement from counsel as to whether or
20 not such documents in fact exist.

21 MR. COHEN: Well, I can make a representation to
22 Your Honor that I personally reviewed all of the documents
23 that Mr. Topel made available, and we don't have such a
24 document; but what I don't want to do is categorically state
25 to you that we didn't miss something because, well, you know,

1 I -- that would not be fair of me to say that and I wouldn't
2 mislead you for any reason.

3 JUDGE CHACHKIN: Well, this is something that the
4 parties should consider and we can take this up again on
5 Monday morning.

6 MR. TOPEL: Yes, thank you, I think that would be
7 good, Your Honor. May I just, for clarity on the record,
8 explain the process of document production? It will just take
9 1 minute. All, all documents that were within the scope of
10 the requests were compiled at Mr. May's office and left there
11 for the parties to, to review. The parties did not copy all
12 of the documents that were there, so we need to check as well
13 as Mr. Shook because he and Mr. Cohen may have passed over
14 those to take the annual ones or, or whatever they, they
15 selected, but that was the process. Everything was made
16 available but not everything was taken by the parties who were
17 looking at it.

18 JUDGE CHACHKIN: All right, we'll see. The parties
19 can make an inspection and we could have further discussion
20 Monday morning. Let's continue.

21 BY MR. SHOOK:

22 Q Dr. Crouch, I'm going to ask you to refer back to
23 Mass Media Exhibit 211. It's in the same volume.

24 A Um-hum. Yes, sir, I'm there.

25 Q And I want you to turn to page 9.

1 A Yes, sir.

2 Q Do you see the column for National Minority TV?

3 A Yes, sir.

4 Q Do you see what the negative fund balance is?
5 \$480,574?

6 A Yes, sir, I see that.

7 Q Was this document, Mass Media Exhibit 211, reviewed
8 by the board and officers of National Minority TV at its
9 annual meeting for 1989?

10 A I certainly understood and believed that it was. It
11 is so stated in the minutes and this would have been the
12 audited -- the only most recent, available audited statement
13 that we could have reviewed. So, yes, most certainly we
14 reviewed this document.

15 Q Do you recall actually reviewing the National
16 Minority figures at the meeting?

17 A We certainly -- it was my practice to go over both
18 the balance sheet, show significant changes in the assets and
19 liabilities of the corporation, and then move on to the, what
20 we call, the, the statement of support revenue and expenses
21 and change in fund balances. Yes, sir, I -- you know, this is
22 several years ago. I'm just telling you the minutes reflect
23 that we did review the financial statements and this certainly
24 would have been one of them.

25 Q Well, National -- there's a column for National

1 Minority that also appears on page 14.

2 A Yes, sir.

3 Q So is it, is it your testimony that the board of
4 National Minority reviewed the information that appears in the
5 columns on pages 9 and 14 of Mass Media Exhibit 211?

6 A Yes, sir.

7 Q Now, having so reviewed them, do you recall any
8 discussion among the board members as to the information that
9 appears in the audited financial statement?

10 A Well, sir, I'm, I'm certain there was, there was
11 some discussion but as far as clear independent memory or
12 recollection of exactly what those discussions were, sir, I, I
13 couldn't remember that.

14 Q You don't -- you recall no discussion among the
15 board members concerning a fund balance which is not nearly a
16 half-million dollars in the red?

17 A I'm sure we discussed it.

18 Q But you don't recall any such discussion and what,
19 if anything -- certainly Reverend Espinoza who's the -- who
20 was the treasurer, the chief financial officer of this corpo-
21 ration, as to how the figure got to be the way it is? I mean,
22 if you don't, you don't.

23 A No, I don't recall but, mercy, this is 1987; NMTV is
24 just now really beginning to emerge and, and, and have some,
25 some business, and I think the concern would have probably

1 | been more on Trinity's part, the, the sponsoring organization,
2 | for having to invest this reasonably substantial sum of money
3 | and, and, and seeing no appreciable return yet. Help my
4 | memory. Was, was Midland/Odessa on the air during the year
5 | 1987? I --

6 | Q No, sir, Midland/Odessa didn't come on the air until
7 | October of 1988.

8 | A '88, so you, you see, the income -- NMTV still has
9 | no real appreciable source of, of income.

10 | Q Would it be fair to state that you simply do not
11 | recall any board member expressing any thought whatsoever
12 | relative to the information that appears on pages 9 and 14 of
13 | Mass Media Exhibit 211 with respect to National Minority TV?

14 | A As I've indicated, sir, I, I recall no such specific
15 | discussion but we most certainly reviewed both the audited
16 | combined balance sheet, and statement of review expenses, and
17 | change in fund balance, as well as it would certainly have
18 | been my practice, and it is my belief, that we reviewed the
19 | 1988 unaudited financial statement for NMTV.

20 | JUDGE CHACHKIN: Who prepared these unaudited finan-
21 | cial statements? Was it the accounting department of TBN?

22 | DR. CROUCH: Yes, sir.

23 | BY MR. SHOOK:

24 | Q Will you please turn to Mass Media Exhibit 238?

25 | A Yes, sir, I'm there.

1 Q Now, this is the newsletter for February 1989 and
2 the headline is "Portland Granted." Do you see that?

3 A Yes, sir.

4 Q Now, what I'd like you to read to yourself is the
5 first full paragraph that begins with "as usual."

6 (Pause.)

7 A Yes, sir, I've read the first few lines of that.

8 Q Now, in many instances, and I'll, I'll pick out a
9 couple of examples, the word "we" is utilized. For example,
10 in the second sentence, you see halfway through the sentence,
11 "we are about to get another full-power station."

12 A Yes, sir.

13 Q And then if you go one line immediately beneath
14 that, "we wanted to buy." Skipping the next sentence, "but we
15 needed a new transmitter site"; the next sentence, "naturally
16 we wanted it near all the other Trinity stations up on Sylvan
17 Mountain." Now, what do you mean here by "we"?

18 A Yes, sir, we've, we've discussed this subject a
19 number of times. As always in my newsletter, I'm including
20 the viewers and the supporters of the network as a part of the
21 "we." "We" the church, the body of Christ; those of us who
22 love and are in agreement with this concept of building a, a
23 network. "We" are doing these things together. I've always
24 tried to infuse that into the minds of the, of the viewers,
25 and they've accepted it. They, they really feel a part of it,

1 so in the broader sense, I'm including the entire viewership
2 and, and support base for the, the Trinity Broadcasting
3 Network; in the narrower sense here, obviously, I'm referring
4 to National Minority.

5 Q The listing of events here, which I recognize to be
6 somewhat general in nature, suggests a personal involvement on
7 your part in terms of the various activities to get the
8 Portland station granted and then on the air, or at least
9 granted. At this point I should limit it to that. Could you,
10 in looking at this, tell us where you were personally involved
11 in helping to get the Portland station granted? The diffi-
12 culty here is that in some instances, there's no way to tell
13 if the "we" includes you or if it's just a general "we." If
14 you could just go through it and tell us where you were
15 involved.

16 A I probably had a little more involvement in the
17 Portland station than, than the, than the Odessa station. It
18 was still Mrs. Duff, and the engineering department, and the
19 finance department, and -- that were leading the effort here
20 but I, I remember being brought in on the, kind of, the trials
21 and tribulations of, of securing the transmission site. The
22 restrictions and the requirements under the environmental
23 impact situation became very onerous and I recall we had quite
24 a delay and, and, and quite a lot of problems, a lot of spe-
25 cial -- we had, we had to plant special trees around the

1 transmitter site; the tower had to be beefed up and strength-
2 ened to support the antenna weight of the new channel. I just
3 was generally aware of some very unique, and very special,
4 and, and rather time consuming problems in securing that
5 transmission site for Channel 24.

6 Q It would be fair to state that not only were you
7 generally aware but you personally had to devote many, many
8 hours in order to accomplish the grant of the Portland permit?

9 A No, sir, I didn't involve a lot of hours. It was
10 just that I was consulted, I recall, by Mrs. Duff, and
11 Mr. Miller, and maybe others. My main function was to pass
12 that information along to the viewers and supporters for them
13 to pray for us, or, or maybe even support us a little more
14 generously as we faced unusual expenses in this situation.

15 Q Moving on to the next paragraph, it says, bottom
16 line, "late last year the FCC finally was able to grant
17 Channel 24/Portland, Oregon to National Minority TV, our
18 affiliated corporation of which I am president." Now, could
19 you tell me what "our affiliated corporation" is supposed to
20 mean here?

21 A As we've stated so often, Mr. Shook, a corporation
22 in which Trinity had a cognizable interest by virtue of, of
23 the one common board member, namely myself; and I think in
24 this newsletter article I'm beginning now to try to even
25 distinguish in the minds of the, of the readers and the sup-

1 porters the difference between the two corporations and compa-
2 nies.

3 MR. SHOOK: Your Honor, 1 minute, please.

4 JUDGE CHACHKIN: Off the record.

5 (Whereupon, a brief recess was taken.)

6 COURT REPORTER: Okay.

7 JUDGE CHACHKIN: Okay.

8 BY MR. SHOOK:

9 Q Could you turn to Mass Media Exhibit 239 --

10 A Yes, sir.

11 Q -- and briefly review this document?

12 A Yes, sir, I'm generally aware of this letter.

13 Q Now, would it -- would I be correct that this letter
14 represents the first formal change in the retainered arrange-
15 ment, retainer understanding, that you had with Mr. May's
16 office beginning in 1983 up to this point in 1989?

17 A I -- it's the only one I recall.

18 Q Now, it reflects, the first paragraph reflects, "our
19 conversations." That would be conversations between yourself
20 and Mr. May?

21 A Yes, sir.

22 Q And were those conversations, in the context of this
23 letter, centered solely on the amount of money that was to be
24 charged for Mr. May's services or was there something else
25 being considered?